

ORIGINAL

OPEN MEETING AGENDA ITEM



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BEFORE THE ARIZONA CORPORATION COMMISSION

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Arizona Corporation Commission

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OCT 4 2011

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AZ CORP COMMISSION
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DOCKETED BY

IN THE MATTER OF THE APPLICATION OF
PARKER LAKEVIEW ESTATES
HOMEOWNERS ASSOCIATION, INC., D/B/A
PARKER SPRINGS WATER COMPANY FOR
APPROVAL OF FINANCING.

DOCKET NO. W-01853A-11-0050

IN THE MATTER OF THE APPLICATION OF
PARKER LAKEVIEW ESTATES
HOMEOWNERS ASSOCIATION, INC., D/B/A
PARKER SPRINGS WATER COMPANY FOR
APPROVAL OF A PERMANENT RATE
INCREASE.

DOCKET NO. W-01853A-11-0065

**STAFF'S REQUEST FOR
CLARIFICATION OF THE
SEPTEMBER 27, 2011 RECOMMENDED
ORDER AND OPINION**

The Utilities Division ("Staff") of the Arizona Corporation Commission ("Commission") files this proposed request for clarification to the Administrative Law Judge's ("ALJ") Recommended Opinion and Order ("ROO") dated September 27, 2011.

In the ROO, the ALJ contemplates establishing a separate interest-bearing account in which all WIFA Surcharge funds collected from its customers will be deposited.¹ The ALJ further contemplates limiting the disbursement of funds from this account to debt service payments made to the Water Infrastructure Financing Authority ("WIFA").²

While Staff generally supports the creation of a separate interest-bearing account for the WIFA Surcharge funds, Staff is concerned with the scope of the limitation relating to disbursement of funds from that account. Specifically, Staff believes the limitation on disbursement of funds should be expanded to allow payment of debt service reserve funds (which is required by WIFA). Accordingly, Staff respectfully requests that paragraph 44 of the Findings of Fact in the ROO be modified to include the following proposed language noted in italics:

¹ Administrative Law Judge's Recommended Opinion and Order ("ROO"), Findings of Fact ¶44 (September 27, 2011).

² *Id.*

44. In addition to these recommendations, we believe it is reasonable to require that, upon Commission approval of the WIFA Surcharge, Parker must open a separate interest-bearing account in which all WIFA Surcharge funds collected from its customers will be deposited. The only *disbursements* of funds from this account will be *to satisfy deposits made to the WIFA debt reserve and debt service payments made to WIFA.*

In addition, Staff respectfully requests that the ordering paragraph on page 15, lines 17 through 19 of the ROO, be modified to include the following proposed language noted in italics:

IT IS FURTHER ORDERED that Parker Lakeview Estates Homeowners Association, Inc. d/b/a Parker Springs Water Company shall only disburse funds from this interest-bearing account for the *purposes of deposits made to the WIFA debt reserve and debt service payments to WIFA.*

RESPECTFULLY SUBMITTED this 4th day of October, 2011.

Scott Hesla
Attorney, Legal Division
Arizona Corporation Commission
1200 West Washington Street
Phoenix, Arizona 85007
(602) 542-3402

Original and thirteen (13) copies of the foregoing were filed this 4th day of October, 2011 with:

Docket Control
Arizona Corporation Commission
1200 West Washington Street
Phoenix, Arizona 85007

Copies of the foregoing was mailed
this 4th day of October, 2011 to:

Victor Chacon, President
PARKER LAKEVIEW ESTATES
HOMEOWNERS ASSOCIATION, INC.
3060 West St. Tropaz Avenue
Tucson, Arizona 85713

1 Gail Spain
2 Secretary/Treasurer
3 PARKER LAKEVIEW ESTATES
4 HOMEOWNERS ASSOCIATION, INC.
5 HC1 Box 474
6 Elgin, Arizona 85611
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